

SENATE BILL 2848
By Cooper

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 7,
relative to the creation of a panel to review existing
mandated health insurance benefits and such mandated
benefits as may be proposed in the future.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, is amended by adding
the following as a new part to be appropriately designated:

Section 56-7-____.

(a) The special advisory commission on mandated health insurance
benefits is hereby established to advise the governor and the general assembly
on the social and financial impact of current and proposed mandated health
insurance benefits, in the manner set forth in this part. The special advisory
commission shall be comprised of fourteen (14) members and two (2) exofficio
members. Ten (10) members shall be appointed by the governor as follows:
one (1) physician, selected from a list of three (3) names submitted by the
Tennessee Medical Association; one (1) chief executive officer of a general
acute care hospital, selected from a list of three (3) names submitted by the
Tennessee Hospital Association; one (1) allied health professional; one (1)
representative of small business, selected from a list of three (3) names
submitted by the National Federation of Independent Business; one (1)
representative of major industry, selected from a list of three (3) names submitted

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by the Tennessee Association of Business; one (1) expert in the field of medical ethics, two (2) representatives of the accident and health insurance industry, and two (2) citizen members. The lieutenant governor shall appoint one (1) member from the senate commerce, labor and agriculture committee and one (1) member from the senate finance, ways and means committee, and the speaker of the house of representatives shall appoint one (1) member from the house of representatives commerce committee and one (1) member from the house of representatives finance, ways and means committee. The state commissioner of health and the state commissioner of commerce and insurance, or their designees, shall serve as ex officio, non-voting members.

All members appointed by the governor shall be appointed for terms of four (4) years each, except that an appointment to fill a vacancy shall be made for the remainder of the unexpired term.

(b) No person shall be eligible to serve for or during more than two (2) successive four-year terms; after the expiration of a term of two (2) years or less, or after the expiration of the remainder of a term to which appointed to fill a vacancy, two (2) additional four (4) year terms may be served by such a member so appointed.

(c) The special advisory commission shall meet regularly and at the request of the governor. The first meeting of the special advisory commission shall be held no later than September 1, 1998, at which time the special advisory commission shall select a chairman and a vice chairman, as determined by the membership.

Section 56-7-____. The special advisory commission shall:

(a) Develop and maintain, with the department of commerce and insurance, a system and program of data collection to assess the impact of mandated health insurance benefits, including costs to employers and insurers, impact of treatment, cost savings in the health care system, number of providers and other data as may be appropriate.

(b) Advise and assist the department of commerce and insurance on matters relating to mandated health insurance benefits.

(c) Prescribe the format, content, and timing of requirements shall be binding upon all parties submitting information to the special advisory commission in its assessment of proposed and existing mandated health insurance benefits as requested by the general assembly.

(d) Provide assessments of proposed and existing mandated health insurance benefits and other studies of mandated health insurance benefits as requested by the general assembly.

(e) Provide additional information and recommendations, relating to any system of mandated health insurance benefits, to the governor and the general assembly upon request.

(f) Report annually on its activities to the standing committees of the general assembly having jurisdiction over insurance by December 1 of each year.

(g) Review and evaluate as necessary the benefits and other provisions of Tennessee health benefits plans and any modifications needed to maintain or enhance the affordability and marketability of the plans.

(h) Adopt rules to facilitate its operations.

Section 56-7-____. Members of the special advisory commission shall serve without compensation, but they shall be entitled to reimbursement for all necessary

expenses incurred in the performance of their duties, in accordance with the comprehensive state travel regulation.

Section 56-7-____.

(a) Except as may be otherwise provided in this section, whenever a legislative measure containing a mandated health insurance benefit is proposed, the standing committee of the general assembly having jurisdiction over the proposal shall request that the special advisory commission prepare and forward to the governor and the general assembly a study that assesses the social and financial impact and the medical efficacy of the proposed measure. The special advisory commission shall be given a period of twenty-four (24) months to complete and submit its assessment.

(b) Whenever a legislative measure, as described in subsection (a), is identical or substantially similar to a legislative measure previously reviewed by the special advisory commission within the three-year period immediately preceding the then current session of the general assembly, the standing committee may, in its discretion, request a special advisory commission study as provided in subsection (a).

(c) The standing committees of the general assembly having jurisdiction over health insurance matters shall request that the special advisory commission on mandated benefits assess the social and financial impact and the medical efficacy of the existing mandated health insurance benefits. The committees shall submit a schedule of evaluations to the special advisory commission by February 1, 2000, setting forth the date by which particular mandates shall be evaluated by the special advisory commission.

Section 56-7-____. The department of commerce and insurance, the department of health, and such other state agencies as may be considered appropriate by the special advisory commission shall provide staff assistance to the special advisory commission.

SECTION 2. If any provision of this act is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.